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**The value of logistics service for the customer:  
bridging marketing concepts and operations management framework**

**Summary**

An increasing number of exchanges in the marketplace are deeply related to logistics. Globalization of trade and economy, diffusion of electronic commerce, spreading of multi-channel buying behaviour claim for a great role of logistics in common business to consumer context. But, does it really matter for consumer? Are logistics activities a source of value creation for the customer and, therefore, a source of customer based competitive advantage? Basing on existing contribution exploring the role of logistics in customer value chain, we propose to analyze customer preferences by the means of five dimension strictly related to logistics activities: assortment, personnel contact quality, information and procedures, order release quantity, time. We also present a preliminary test on the validity of the dimensional structure and derive directions for future research.

**Key words:** logistics; marketing; customers' value perception; clothing retail industry.

**Structure:** 1. Introduction; 2. Purpose; 3. How logistics strengths marketing orientation; 4. Research methodology; 4.1. Identifying a Set of Indicators for the five Dimensions; 4.2. Testing the validity; 4.3. Clustering customers on the five dimension; 5. Discussion of findings; 6. Conclusion.

## **1. Introduction**

Logistics represents a critical issue in many business contexts and have moved much higher up the agenda in organizations in almost every industry and sector (Christopher, 2005). According to this tendency many companies consider time-to-market, continuous assortment turnover in the point of sale, material handling and transportation management critical parts of their competitive advantage, claiming for a continuous search for logistics excellence.

On the other hand logistics excellence has direct influence on customer preferences thus influencing consumers' buying behaviour. This is particularly true in business context characterized by high level of direct competition, great customer volatility and attention to speed and timeliness, wide and geographically extended supply chain.

For example in the automotive industry, logistics plays a central role in the customer value perception process leveraging on timeliness and consistency (Mentzer et al., 1999; Ellram et al., 1999; Chow et al., 1994). In this paper we use the word customer to indicate both industrial and individual user being interested in analyze attitudinal and behavioral motivation to buy, related to logistics services. Therefore we use an approach not entirely based on studying inventory levels, facility locations, and business logistics network designs, preferring to concentrate on "latent" variables (Keller et al., 2002).

In fact, many companies invest in built-to-order (BTO) (Anderson and Anderson, 2004; Lee, 2002), and, consequentially, in build-to-order supply chain management (BOSC) strategy (Gunasekaran and Ngai, 2005) in order to gain competitive advantage. Likewise in the fashion industry, some of the most popular companies invest in a weekly assortment turnover in their stores. In extreme cases, typified by the successful fashion retailer Zara, there might be even twenty "seasons" in a year. The implications of this trend for supply chain management are clearly profound (Christopher et al., 2004). The wine business is another example of sector in which competitive advantage seems to be strictly related to logistics activities. Many companies, especially those involved in non domestic market expansion, invest a great amount of resources in packaging and transportation innovation (Vernuccio et al., 2008; González-Torre et al., 2004; Fearne and Hughes, 1999).

Using logistics and supply chain management to achieve an higher level of efficiency - based on inventory reduction - has been for many years the most frequent solution adopted by many companies. In some situation, however, searching for efficiency and stock reduction could be even counterproductive (Conforti et al., 2008). Recently some scholars (Massaroni, 2007) claim for a wider strategy aimed at achieving great value chain management, suggesting to differentiate the approaches depending on the priority given to the logistics system: cost, differentiation or both of them. Logistics management has the potential to assist companies in the achievement of cost

advantage (efficiency and effectiveness), differentiation advantage and complete value advantage (both cost and differentiation) (Massaroni, 2007; Christopher, 2005). This critical decision is driven also by the nature of the products to be managed: primarily functional or primarily innovative (Fisher, 1997). Referring to traditional undifferentiated functional products, logistics may have a decisive impact through an efficiency and effectiveness process (for example, to be on the shelf). Referring to innovative products, logistics may become a vital means of differentiation. Therefore logistics has an impact on customers' value perception depending on the ability to deal with the twin peaks of excellence: cost leadership (better capacity utilization, transportation costs reduction, lead times reduction, etc.) and service leadership (customized services, flexibility, etc.). Tackling this issue this paper explore the role of logistics in customer value perception, by the definition of some variable useful to develop a segmentation tools mostly based on logistics variables. The paper is organized as follow. We begin by reviewing the literature that concerns the investigation of those logistics dimensions enhancing perceived value for the customers in the buying process and formalizing the research question (paragraph 2). We continue by describing five specific logistics dimensions that may play a positive role on customer value perception in terms of functional benefits (paragraph 3). We address the research question in an empirical study by using factor analysis and cluster analysis: we identify a set of indicators for our critical logistics dimensions; we test the validity of the five-dimensional structure; and, we cluster customers based on the five dimensions (paragraph 4). We then analyze the influence of these dimensions on customer value perception in the buying process and we discuss on findings' conceptual implications (paragraph 5). We conclude proposing directions for further research (paragraph 6).

## **2. Purpose**

Achieving high levels of customer value represents certainly one of the most important and strategic goal (Christopher, 2005), especially with a focus on products' services benefit definition up to conceptualize a "good service continua" (Iacobucci, 1992).

On this basis many research confirm that logistics services play a central role in customer value perception, thus leading firm overall success. A conclusion that has demonstrated to be effective in different purchase context: industrial, consumer and retail market (Mentzner et al., 2001; Bienstock et al., 1997; Bowersox et al., 1995; Langley et al., 1991; Mentzer et al., 1989).

Logistics capabilities could be leveraged to: create higher customer value perception through service performance (Novack et al., 1994); increase market share (Daugherty et al., 1998); enable mass customization (Gooley, 1998); create effective customer response-based systems (Closs et al., 1998). As an example, there is a great amount of empirical evidences supporting the impact of

logistics excellence on revenues, profitability and, therefore, firm performance (Christopher, 2005; Mentzer et al., 2001; Fisher, 1997): for conveniences goods, logistics effectiveness represents in many cases the true source of competitive advantage. Besides, in high touch product like wine, logistics service capability contributes to an improvement of flexibilities and personalization, thus, enhancing the role of differentiation.

Effective performance of logistics activities as warehousing, transportation, inventory control, order processing, and delivery and related information flow is also increasingly being touted as a viable online strategy (Dadzie et al., 2003; Esper et al., 2003; Bloomberg et al., 2002; Ricker and Kalakota, 1999).

Thus, logistics excellence has recently become a powerful source of competitive differentiation within diverse marketing offerings of world-class firms (Mentzer et al., 2004). Although some scholars have suggested that logistics competencies complement marketing efforts, empirical evidence is lacking on what logistics service means to customers and whether it has different meanings for separate customer segments (Mentzer et al., 2001).

Tackling these issues, the aim of this paper concerns the investigation of logistics dimensions able to influence customer value perception. Logistics expertise help create competitive advantage by influencing directly customer value and customer satisfaction (Kumar and Bennett, 2003; Mentzer et al., 2001; Flint et al., 2000; Huiskonen and Pirttilä, 1998; Andraski and Novack, 1996; Morash et al., 1996; Sharma et al., 1995; Kyj and Kyj, 1994) in term of:

- wide and changing product assortment (Pentico 2008; Oppewal and Koelemeijer, 2005; Yoo et al., 1998; Broniarczyk et al., 1998; Samli et al., 1998)
- better personnel contact quality (Baker et al., 2002; Homburg et al., 2002; Wouters, 2001; Maltz and Maltz, 1998; Andraski and Novack, 1996; Daugherty et al., 1994; Lynch, 1992);
- accurate information provided in the different contact point along the value chain as well as easy order procedures (Shroeder and Zaharia, 2008; Pokarsky and Jacobson, 2007; Andraski and Novack, 1996);
- ability to release multiple and different order quantity (Bowersox et al., 2007; Breugelmans et al., 2006; Emmelhainz et al., 1991) ranging from vary small up to large amount;
- timeliness (Bowersox et al., 2007; Gaudenzi and Borghesi, 2006; Christopher, 1998).

Those five areas seems to be have a great impact on customer value perception, influencing the customer utility function in two different way: changes in ranking of relative importance given to different attribute and enhancement in performance expectation relative to each of them (Bowersox et al., 2007). Therefore the aim of this paper concern the development of a segmentation tool

based on variables that can be used to segment customers based on the relative sensitivity to logistics activities.

### **3. How logistics strengths marketing orientation**

There are many evidence that logistics activities may have a positive effect on customer value perception in terms of functional benefits, as much as consumption processes become more difficult and complex. In this article, we present an analytical framework for customer profiling, which aims at supporting product differentiation. Specifically, we reviewed the consumer behaviour in retailing buying process and logistics literature to identify a set of generally applicable dimensions explaining customer differences for differentiation purposes. Such dimensions should be able to describe customers relative to both goods and services preferences. This area has been sparsely covered by the literature. Some studies have proposed, for example, an item measure that can be used to assess customer value perceptions for consumer durable goods; this measure is developed to define value drivers useful to predict behaviour in a retail purchase occasion. Four distinct value dimensions emerged that were termed emotional, social, quality/performance and price/value for money (Sweeney and Soutar, 2001). Some others present research which assesses the importance of customer service as a tool for differentiation in industrial markets by comparing the stated postures towards customer service of providers and recipients of selected services (Kyj and Kyj, 1994). Unless products a company offers can be distinguished in some way from its competitors there is a strong likelihood that market views it as a “commodity”; hence the importance of seeking to add additional values to the selling offering to mark it out from the competition.

Our framework, starting from the scale developed by Mentzer et al. (2001), integrates multiple dimensions that capture customer differences and consequently enable firms to profile customers for differentiation purposes. In the reminder of this section, we discuss the relevant literature and introduce the dimensions included in our analytical framework.

#### **Assortment**

The assortment (or catalog problem) involves determining which of the possible set of sizes or qualities of some product should be stocked when it is not possible or desirable to stock all of them and substitution in one direction - larger for smaller or higher-quality for lower-quality - is possible at some cost (Pentico 2008). The assortment has an high relevance at the same time as strictly technical logistics problem and as a characteristic of retail environments that influences consumers' emotional responses in the shopping process (Yoo, Park and MacInnes1998). Since the identification of these issues, some authors have developed theoretical and empirical works on the

assortment problem, underlining the influence of customers' assortment perception in the distributor/retailer choice (Broniarczyk et al. 1998), throughout customers' favourite product presence (Broniarczyk et al., 1998; Oppewal and Koelemeijer 2005), exposition space and products variety (Oppewal and Koelemeijer 2005). The assortment has then an important impact on retail image (Kunkel and Berry 1968), improving retail performance (Samli et al.1998).

### **Personnel contact quality**

Personnel contact quality represent the general customer orientation towards the supplier's logistics contact people (Mentzer, 2001). Specifically, during each interaction with personnel, customers care about whether customer service personnel are knowledgeable, empathize with their situation, and help them resolve their problems (Bitner 1990; Bitner et al 1994; Bitner, Booms, and Tetreault 1990; DeCarlo and Leigh 1996; Gronroos 1982; Hartline and Ferrell 1996; Parasuraman et al. 1985). As Parasuraman, Zeithaml, and Berry (1985) has pointed out, in many service encounters quality perceptions are formed during the service delivery, and is deeply related to the service process, thus giving a critical role to personnel contact interaction. As such, personnel contact quality is an important aspect of the employee-customer interface (Hartline and Ferrell 1996; Hartline. Maxham. And McKee 2000).

### **Information and procedures**

Information quality concern the “customers perceptions of the information provided by the supplier regarding products from which customers may choose” (Mentzer, Flint, and Kent 1999). The information is typically distributed through retailer catalogues' and web sites at different marginal cost. Availability, adequacy and easiness of comprehension should positively affect the information quality, making the customer able to use the information to support her/his decision. Information quality is particularly relevant in multichannel consumption processes. A recent study conducted in Germany demonstrates that most customers of a multi-channel retailer use only one channel within a buying process, selecting the one that best satisfies their shopping motives in each situation: each source of information, both inside the shop and online, should guarantee a significant functional benefit to the customer. Information available online and on-sight let them catch an opportunity to lower the risk and to save time and money (Shroeder, Zaharia, 2008). A significant part of information gathered by consumers during the buying process, concern the effectiveness and efficacy of the ordering procedures followed by supplier (Mentzer et al., 1999; Mentzer et al., 1997; Bienstock et al., 1997; Mentzer et al., 1989; Rinehart et al., 1989). In particular, the research conducted by Metzner (2001) indicate that effective and easy of use of order placement procedures

represent a good measure of this facet of value. Broadening the concept Rafiq and Jaafar (2007) has observed that in a cross-sectional context, the situation is more complex thus suggesting to measure also simplicity, flexibility of the ordering procedures, time, and effort taken, as an important component of the dimension. Hence, we assume that Information and procedures, represents a significant analytical dimension for customer profiling.

### **Order release quantity**

Successful retail operations depend upon a store's ability to meet consumers' needs, but while retail stock-out consumers' behaviour have been deeply investigated (Emmelhainz et al, 1991) and its negative effect demonstrated on consumers' satisfaction both in traditional and internet-based retailers (Breugelmans et al. 2006), retailers capability to be adaptable to order quantity on consumer's demand has not received the same attention. Since customers perceive themselves as unique, they demand the retailer to be adaptable to their specific requirements (Bowersox et al. 2007).

### **Time**

Punctuality, reliability (on time delivery) and reactivity (responsiveness) represent relevant dimensions in delivering value to customers. Firstly, being punctual and ensuring a certain delivery, have to be considered as basic requirement by a customer: being late means, without any chance not to, to lower customer satisfaction and his function of value (Bowersox et al. 2007). Secondly, to be reactive is a time-oriented concept aimed to lower lead times and order cycle, and achieve pipeline efficiency (Bowersox et al. 2007; Christopher, 1998; Gaudenzi, Borghesi 2006). Therefore, the literature review suggests five dimensions able to account for customer differences and to be generally applicable to a wide range of market context:

- Assortment;
- Personnel contact quality;
- Information & procedures;
- Order release quantity;
- Time.

Based on these evidence, we designed an empirical verification aimed at:

- identifying a set of indicators for the five dimensions;
- testing the validity of the five-dimensional structure;
- clustering customers based on the five dimensions.



Each of these three research phases is discussed in detail in the following sections.

The context selected for this study is clothing retail industry: it has been object of severe changes in the last years, because clothing producers get specialised in retailing too, offering its own brand shops.

#### **4. Research methodology**

##### *4.1. Identifying a Set of Indicators for the five Dimensions*

We identified several potential indicators for the five dimensions. We reviewed the consumer behaviour and logistics management literature to obtain theoretical directions and indicators of the dimensions' facets. We used some of the indicators published by Mentzer et al. (2001) plus items from the above-mentioned literature on assortment (§3).

<b>Scale</b>	<b>Items</b>	<b>Type</b>
<b>Assortment</b>		
ASS1	Newest and hip products are always available in the shop.	5-point item
ASS2	Up-to-date brands, models and colours are always available in the shop.	5-point item
ASS3	Quality design clothes are always available in the shop.	5-point item
ASS4	I always find what I need in the shop.	5-point item
ASS5	The assortment changed periodically.	5-point item
<b>Personnel contact quality</b>		
PQ1	The designated contact person makes an effort to understand my situation.	5-point item
PQ2	Problems are resolved by the designated contact person	5-point item
PQ3	The product knowledge/experience of personnel is adequate.	5-point item
<b>Information and procedures</b>		
IQ1	Online information is available and personalized on demand.	5-point item
IQ2	Catalogue information is adequate.	5-point item
OP1	Requisitioning procedures are effective and easy to use both on line and on the POS.	5-point item
<b>Order release quantity</b>		
OR1	Requisition quantities are not challenged.	5-point item
OR2	Difficulties never occur due to maximum release quantities.	5-point item
OR3	Difficulties never occur due to minimum release quantities.	5-point item
OQ1	Substituted items sent work fine.	5-point item
<b>Time</b>		
T1	Time between placing requisition and receiveg delivery is short	5-point item
T2	Deliveries arrive on the date promised.	5-point item

Table n. 1 : The purified list of indicators used

A questionnaire based upon these variables has been designed. Before finally administering the questionnaire to the respondents, it has been pre-tested. The pre-testing of the questionnaire focused on the instrument clarity, question wording and validity. For pre testing of the questionnaire, it was circulated among a group of PhD students. Their suggestions were incorporated and questionnaire was revised. The questionnaires were composed of two parts. In the first one there was three battery of items aimed at measuring:

- the self reported frequency of purchase using a 5 point semantic differential scale ranging from never to every day;
- the frequency of purchase in different occasion, both for common and mono brand stores measured with the same scale.

In the second part a battery of 17 items were submitted, as reported in table 1.

The questionnaire has been administered to 234 undergraduate business students.

In screening the returned questionnaires, we eliminated 24 questionnaires because of missing responses to the majority of the items. Our sample was made by 210 respondents with an average age of 24,5; 51,9% female; 97,1 Italian.

Cronbach's alphas were computed, and all scales exceeded Nunnally's (1978) reliability of 0.7 or above. The reliability of each of the five scale was as follows: assortment = 0.87; personal contact point quality= 0.88; information & procedures= 0.81; time= 0.77; order release quantity= 0.70.

#### 4.2. Testing the validity

The analysis of the data is done after tabulating the collected data. The tabulation of the collected data is very carefully done so as to eliminate the chances of error. A factor analysis was conducted in order to develop factors that affect customer perception. To identify the number of components to be extracted, we applied several criteria: eigen value greater then 1 and scree plot analysis. The two method suggested that a five factor solution seems to be the most appropriate to explain a latent structure of the observed variables. As suggested by Zwick and Velicer (1986), we applied also the parallel analysis (Horn, 1965), which was found to be the most accurate method in a simulation study. Parallel analysis compares observed eigenvalues to those resulting from using random data. Components showing larger observed eigenvalues than those resulting from random data analysis are retained. To compute eigenvalues for random data, we adopted formulas provided by Lautenschlager et al. (1989), and Keeling (2000). In both cases, parallel analysis suggested extracting five components, which nicely correspond to Assortment, Personnel contact point quality, Information & procedures, Order release quantity, Time. The five-component solution

accounts for more than 55% of the variance. The varimax-rotated component matrix shows that all the indicators load substantially on the intended dimension, whereas no significant cross loading (i.e., >.30) was found. Thus, the five factors are unidimensional and factorially distinct (Mohr and Spekman, 1994; Punniyamoorthy and Prasanna, 2007).

Table 2 shows the factorial structure and purified measurement scales.

INDICATORS		FACTOR LOADINGS				
Label	Keywords	Assortment	Personnel contact point quality	Information & procedures	Order release quantity	Time
ASS1	Newest and hip products are always available in the shop.	0,818				
ASS2	Up-to-date brands, models and colours are always available in the shop.	0,810				
ASS3	Quality design clothes are always available in the shop.	0,716				
ASS4	I always find what I need in the shop	0,681				
ASS5	The assortment changed periodically.	0,669				
PQ1	The designated contact person makes an effort to understand my situation.		0,944			
PQ2	Problems are resolved by the designated contact person		0,822			
PQ3	The product knowledge/experience of personnel is adequate.		0,717			
IQ1	Online information is available and personalized on demand.			0,839		
IQ2	Catalogue information is adequate.			0,696		
OP1	Requisitioning procedures are effective and easy to use both on line and on the POS.			0,681		
OR1	Requisition quantities are not challenged.				0,753	
OR2	Difficulties never occur due to maximum release quantities.				0,655	
OR3	Difficulties never occur due to minimum release quantities.				0,621	
OQ1	Substituted items sent work fine.				0,335	
TI1	Time between placing requisition and receiving delivery is short					0,957
TI2	Deliveries arrive on the date promised.					0,615

Table n.2: Rotated factor matrix

#### 4.3. Clustering customers on the five dimension

Factor analysis generates metric, factorial scores for the extracted components. We than ran a k-means cluster analysis using factor scores as input data in order to identify and to profile customer relative to their desired logistics activities.

Three- to six-cluster k-means solutions all showed significant F-tests for the four dimensions. Table 3 shows final centroids and proportions for the five clusters. Note that positive (negative) scores on one specific dimension indicate higher (lower) than average traits within the clusters.

Dimension	Cluster			
	Busy-men	Purchase driven	Self sufficient	Experiential and variety seekers
% Proportion	18,571	27,619	35,714	18,095
Assortment	-1,41184	-0,08741	0,61106	0,37638
Personnel contact quality	-0,07019	0,20488	-0,55768	0,86001
Information and procedures	-0,10651	0,1051	0,3997	-0,83997
Order release quantity	0,10281	0,06298	0,14431	-0,48646
Time	0,51592	-1,2176	0,44727	0,44617

Table.3: Final cluster centres

We computed cross-tabulations to describe clusters relative to socio-demographics and frequency of purchase both in general and mono brand stores.

We label customers belonging to cluster 1 as “Busy man” (18,571%). These customers show the lowest scores on assortment and the highest score on time. Cluster 2 includes “Purchase driven” customer (27,619%). These individual express a good score on personnel contact quality and information and procedures, but the lowest sensitivity to time. The “Self sufficient” (35,714%) – Cluster 3 – represent a common profile. They express average levels on almost the four dimension with the exception of personnel contact quality. Finally we define customers belonging to cluster 4 as “Experiential and variety seeker” (18,095%), because of their attention to personnel contact quality, reliability, responsiveness in receiving deliveries and to assortment.

The evidences presented in this paper extends previous research on logistics activities considered as marketing assets, leading to interesting findings.

For example, assortment has always been considered as a relevant issue in influencing consumers and in enhancing image and performance (Yoo, Park and MacInnes1998; Broniarczyk et al. 1998; Oppewal H and Koelemeijer 2005; Kunkel and Berry 1968; Samli et al.1998): this is quite in contrast to some findings of this study, where the “busymen” cluster consider it absolutely non relevant. In other cases, customers positively consider assortment.

Many scholars pointed out the relevance of personnel contact quality as a component in quality perception process (Bitner 1990; Bitner et al 1994; Bitner, Booms, and Tetreault 1990; DeCarlo and

Leigh 1996; Gronroos 1982; Hartline and Ferrell 1996; Parasuraman et al. 1985): again, this research demonstrates that one size doesn't fit all. Two clusters on four are positively influenced by personnel contact quality, one consider it irrelevant and one doesn't care about it at all.

A picture much more in line with existing publications is derived regarding the information (Mentzer et al 1999; Shroeder, and Zaharia, 2008) and procedure (Mentzer et al., 1999; Mentzer et al., 1997; Bienstock et al., 1997; Mentzer et al., 1989; Rinehart et al., 1989) concern: three on four clusters have positive and significant values, while the other one consider it decisive.

Considerations about order release quantity are fairly similar even if this dimension is never significantly discriminating: three clusters on four have slightly positive value, the last one consider it not relevant. Thus, this dimension cannot be highly and closely connected to customer satisfaction, even if it cannot be excluded, since three values arising from the clusters are positive (Bowersox et al. 2007).

Findings about time are in line with the existing literature, since three on four clusters present quite high positive value. Punctuality, reliability (on time delivery) and reactivity (responsiveness) represent relevant dimensions in delivering value to customers (Bowersox et al. 2007; Christopher, 1998; Gaudenzi, Borghesi 2006). What is very interesting is that the "purchase driven" cluster consider it as completely irrelevant: but it is in line with the interpretation given. They are interested in solving an existing problem, counting on their own and personnel knowledge.

## **5. Discussion of findings**

Based on the consumer behaviour and logistics literature analysed and mentioned in § 2 and 3, we were able to define purchase behaviour for each cluster. Table 4 shows clusters' name and characteristics, the associated frequency of purchase differentiated between general and mono brand stores.

CLUSTER	CLUSTER CHARACTERISTICS	PURCHINSIG CHARACTERISTIC
Busy-men	<p>Description: The “Busy-men” are very interested in reliability and responsiveness in receiving deliveries. They are uninterested in assortment.</p> <p>Comments: They can be represented as those one that don’t want to waste too much of their energies in the buying process: they consider as a minimum requirement process’ reliability and responsiveness.</p>	Only occasional purchases in mono-brand retailers, mostly on the occasion of an event and of travelling, after a stressing period of studying, to substitute for a damaged one or as a bonus.
Purchase driven	<p>Description: People that pay attention to personnel contact quality mainly compose the “Purchase driven” cluster. They are not interested in reliability and responsiveness in receiving deliveries.</p> <p>Comments: They are focused on the product: they start their research when they need to buy a casual cloth and they start the buying process in order to solve an existing problem.</p>	They sometimes buy casual clothes in mono-brand retailers on the occasion of an event and of travelling or to substitute for a damaged one.
Self sufficient	<p>Description: They pay high attention to every aspect of the buying process especially to assortment, unless personnel contact point quality.</p> <p>Comments: They pay high attention to every aspect of the buying process They want themselves to choose according to their own taste and choice ability, gathering information both outside and inside the shop.</p>	They sometimes buy casual clothes on the occasion of an event or of travelling, after a stressing period of studying, to substitute for a damaged one, as a bonus.
Experiential and variety seekers	<p>Description: They pay attention to personnel contact quality mainly. They are not interested at all in information available and procedures.</p> <p>Comments: They give the shopping experience a personal gratification arising from interpersonal exchange with contact point personnel: this is noticeable in the shopping situation declared by the cluster.</p>	They often buy casual clothes on the occasion of an event and of travelling.

Table.4: Clusters’ name and characteristics.

The “Busy-men” are very interested in reliability and responsiveness in receiving deliveries primarily, then to order release quantity. They are uninterested in assortment and they don’t have any concern about personal contact quality and information and procedures.

People belonging to it consider themselves averagely fairly experts in casual dressing and their purchase mean frequency is about every six months.

Firstly, they often do casual clothes shopping to substitute for a spoilt one, sometimes on the occasion of travelling or an event; rarely after a stressing period of studying or in reward for a success; never to attend an exam.

With reference to mono-brand retailers, they seldom buy casual clothes on the occasion of an event and of travelling, after a stressing period of studying, to substitute for a damaged one or as a bonus; they never do it to attend an exam.

They can be represented as those one that don't want to waste too much of their energies in the buying process: that is why they consider relevant and as a minimum requirement process' reliability and responsiveness.

The "Purchase driven" cluster is composed by people that pay attention to personnel contact quality mainly, and to information and procedures secondly. They are not interested in reliability and responsiveness in receiving deliveries.

Members belonging to this cluster consider themselves averagely fairly experts in casual dressing and their purchase mean frequency is about once a month.

The "Purchase driven" customers often do casual clothes shopping on the occasion of a travel; sometimes on the occasion of an event or to substitute for a spoilt one; rarely after a stressing period of studying, in reward for a success or to attend an exam.

With reference to mono-brand retailers, they sometimes buy casual clothes on the occasion of an event and of travelling or to substitute for a damaged one; rarely, they buy casual clothes in a mono brand shop as a bonus, to attend an exam or after a stressing period of studying.

They are focused on the product: they start their research when they need to buy a casual cloth and they start the buying process in order to solve an existing problem.

The "Self sufficient" cluster is composed by people that pay much attention to personnel contact quality, a little bit less to information and procedures and to reliability and responsiveness in receiving deliveries.

People belonging to it consider themselves averagely fairly experts in casual dressing and their purchase mean frequency is about every six months.

The "Self sufficient" consumers are used to buy casual clothes to substitute for a spoilt one or on the occasion of a travel; sometimes on the occasion of an event, after a stressing period of studying and in reward for a success; never to attend an exam.

With reference to mono-brand retailers, they sometimes buy casual clothes on the occasion of an event or of travelling, after a stressing period of studying, to substitute for a damaged one, as a bonus. They never buy casual clothes in a mono brand shop to attend an exam.

They pay high attention to every aspect of the buying process as observed in its logistics dimensions, unless personnel contact point quality. They want themselves to choose according to their own taste and choice ability, gathering information both outside and inside the shop.

People that pay attention to personnel contact quality mainly, to reliability and responsiveness in receiving deliveries and to assortment secondly, compose the “Experiential and variety seekers” cluster. They are not interested at all in information available and procedures and order release quantity aspect doesn’t concern them.

Members belonging to this cluster consider themselves averagely experts in casual dressing and their purchase mean frequency is about once a month.

The “Experiential and variety seekers” customers often do casual clothes shopping to substitute for a spoilt one, on the occasion of a travel and of an event; sometimes after a stressing period of studying, in reward for a success and seldom to attend an exam.

With reference to mono-brand retailers, they often buy casual clothes on the occasion of an event and of travelling; sometimes to substitute for a damaged one, after a stressing period of studying or as a bonus; rarely, they buy casual clothes in a mono brand shop to attend an exam.

They give the shopping experience a personal gratification arising from interpersonal exchange with contact point personnel: this is noticeable in the shopping situation declared by the cluster.

## **6. Conclusion**

In this paper, we have identified and discussed different approaches aimed at using logistics activities as a source of customer centered competitive advantage. We claim that firms need to engage in more sophisticated segmentation analyses to define a more specific logistic strategy. Hence, we propose a framework aimed at addressing customer segmentation and the identification of the correct approach to logistics.

The framework is based on sound theoretical bases derived from the consumer behavior and logistics literature. In fact, several studies have shown that Assortment, Personnel contact point quality, Information & procedures, Order release quantity, Time, explain heterogeneity of consumer attitude and behavior and can affect logistic strategy decision (e.g., Metzger 2001).

Our study suffers some limitations. The main one refers to the choice of just one segmentation tool of analysis. We did not include within our research agenda a recognition of comparative analysis



with other market segmentation methods. Further research will try to explore this issue introducing at least Conjoint Analysis (Green et Srinivasan, 1978; 1990), as one of the most common statistical technique aiming at identifying the “ideal” product (good/service) for a target market. Moreover, financial constraints prevented us from testing the model into a wider sample of population, representing the universe of consumers. In fact the test was conducted only with students. We also did not take into account role played by individual differences. There are some evidences that difference in personality traits as well as in socio demographic variable, could play a moderating role on the five dimension of value, for the benefit strictly related to logistics activities. Then, it emerged from the questionnaires analysis that people belonging to a cluster have different behaviors in multi or mono brand retailers: this issue could offer very interesting managerial consequences. Further research will try to explore this difference in behaving. Furthermore, another relevant research field will aim at testing the logistic value for the customer as a second order direct construct.

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